
HealthCare Advantage, LLC

September 3, 2015

Missouri Health Facilities Review Committee (MHFRC)

C/O Karla Houchins
Certificate of Need (CON) Program Coordinator
3418 Knipp Drive
Jefferson City, Mo. 65109

Dear Committee Members, Ms. Houchins & Mr. Vanderpool,

I am writing to you today regarding my understanding of certain MHFRC discussions and commitments made in 2011 at a most unique time in Missouri history. After carefully evaluating the information I provide and that in your own records, I hope you take appropriate action to *deny, the CON application for project No. 5209NS*, the Landmark Hospital Transitional Recovery Center of Joplin, establishing a 60 bed skilled nursing facility (SNF) in Joplin, Mo.

Why? Because the three SNF facilities destroyed in the 2011 Joplin Tornado are still rebuilding and recovering themselves. Promises were made by this committee in late 2011 to the hospital and long term care communities and facilities impacted by this tragedy. The impacted facilities appreciated the commitment of the MHFRC to ensure a most fair and effective process in the aftermath of the tragedy.

In the interest of full disclosure, I am a former legislative member of the MHFRC and then served as the chief executive of the state's leading long term care trade association (MHCA) from November 2005 to August of 2013. I am currently the President & CEO of a long term care trade association in another state. However, I still maintain a consulting relationship with two large multi-facility providers in Missouri. These firms include Missouri's largest multi-facility skilled nursing home operator, Health Systems, Inc. (HSI, Inc.) of Osage Beach, Mo. HSI, Inc. owns and/or operates about seventy three facilities in Missouri. The other company is National Healthcare Corporation (NHC) of Murfreesboro, TN. NHC is Missouri's fifth largest multi-facility provider with 13 skilled nursing facilities and a mental health hospital located in the state. Both own & operate a SNF in Joplin.

On May 22, 2011 our state and nation suffered one of the worst natural disasters in our history. The Joplin Tornado took hundreds of lives and impacted thousands more. Specifically regarding long term care, three of the six licensed SNFs, operating at the time in Joplin, were completely destroyed. Sadly, at least 14 residents and one heroic employee lost their lives at the Greenbriar skilled nursing facility as a result of the Joplin Tornado.

Like Joplin itself, the long term care profession came together in support of its family in the aftermath of this dreadful tragedy. Finding placements for loved ones and helping raise over \$132,000.00 provided some relief to the many employees and residents impacted by the tragedy. While these wonderful and caring Certified Nurse Assistants and Registered Nurses worked to shelter their residents, many of their own lives, homes and jobs fell victim to the tragedy. Most tragically, others suffered the injury and death of family members.

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A few months after the storm, during the September 12, 2011 CON Meeting, the MHFRC was kind to receive a presentation from Mercy Hospital (formerly St. John's) and their key leaders at its bi-monthly meeting. They talked about how they would rebuild. The picture, which the nation came to know all too well, of a blown out hospital unable to continue operations, was replaced with a temporary facility and a beautiful rendering of a new hospital Mercy committed to rebuild and reopen. The new hospital opened in March of 2015.

As the leading advocate for Missouri's nursing homes at the time, I was also permitted to address the committee. I provided an overview of the impact on the long term care profession. I also mentioned how neighboring skilled nursing facilities handled the care for displaced residents and spoke about the tragic impact the three facilities, so completely destroyed, had suffered. Even so, all impacted facilities also said they would rebuild and reopen.

Following these presentations, the committee discussions and comments made clear, and your legal counsel clarified, that CON approval would not be necessary to rebuild as this was legally considered "an act of god" incident. The meeting illustrated all destroyed facilities would be entitled to rebuild and the MHFRC would do all it could to ensure a fair and efficient regulatory process for them.

Following that sentiment and in consideration of the smaller business structure, longer timeframes and tighter finances involved in rebuilding the impacted SNFs, I further inquired as to whether the committee would entertain other applications before such time, likely years, as these facilities may be able to rebuild. The committee indicated should any such application arise, they would give first consideration to the operations and progress of those rebuilding and reopening.

So, as you approach your September 14, 2015 CON meeting, I feel compelled to remind of the understanding the Missouri long term care community and these facilities had regarding the MHFRC commitments and support. I hope you will maintain such support for those impacted by the tragedy. Four years may seem like a lifetime to many in government, but in the construction, development and opening of a new long term care facility, I assure you it is not a long time, nor an easy task.

I hope you also find it instructive, even with limited information of what I know through personal contact and public record, to provide you an update on the impacted facilities. However, the best and most current information will come directly from these owners to CON staff and I think the owners would welcome such engagement.

The underlying property owner of the NHC operated (leased) facility that was destroyed was Senior Trust a real estate investment trust that later sold its Missouri properties. This destroyed SNF and its bed license was acquired by Health Systems, Inc. Immediately upon acquiring the property and its licensed beds, HSI, Inc. began their plans for a new 92 bed SNF called Joplin Gardens. It opens in October of 2015.

The owner of the other two facilities destroyed by the Joplin tornado is Don Bedell and/or his company(s) Health Facilities Management Corporation. Through local news accounts, it appears his plans are underway to replace and rebuild the Greenbriar skilled nursing facility (120 bed SNF est.).

Additionally, in April of 2014, his company held a grand opening of the Communities at Wildwood Ranch a 120 bed SNF to replace the Meadows Care Center.

It is my sincere hope that through my recollections and your further research, you will see this situation more than warrants a *denial, at this time, of Project No. 5209 NS*. Such a decision would allow the MHFRC time to evaluate any past commitments, the current status of the impacted facilities, as well as, the opportunity to properly analyze the overall census, SNF market and bed need in Joplin.

Regardless of the merits of the application or my aforementioned recollections, I respectfully ask you to consider the following questions:

1. Would the MHFRC have approved a competing hospital project in Joplin before Mercy's new hospital was built in April 2015? Do skilled nursing facilities not deserve the same consideration?
2. In lieu of this application and others likely to follow, should the committee now commit to a more thorough review with the aforementioned considerations in mind and establish definitive criteria for the facilities rebuilding or the consideration of new applications in the Joplin area?
3. The Landmark application (No. 5209 NS) appears to promise they will specialize in high acuity Medicare clients. Is this an all Medicare or all private pay population? Will they also serve the long-stay poor, frail and elderly SNF Medicaid population? There appear to be no provisions in the law to guarantee such promises or prevent them from cherry-picking the financially viable and best post-acute care clients, regardless of acuity, from all existing or newly rebuilt facilities in Joplin. Right or wrong, competition or not, is this fair to the existing or newly opened facilities in Joplin who weathered this tragedy?

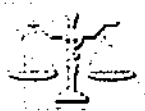
Thank you for your time and attention. More importantly, thank you for your service on the MHFRC and your commitment to health care access throughout Missouri.

Please do not hesitate to contact me with any questions, concerns or further information on my cell: (314) 540-4400 or via email: jondolan@centurylink.net .

Respectfully,



Jon Dolan
President
HealthCare Advantage, LLC.



Certificate of Need Program

REPRESENTATIVE REGISTRATION

<i>(A registration form must be completed for each project presented.)</i>	
Project Name Landmark Hospital Transitional Recovery Center of Joplin	Number Project No. 5209 NS
<i>(Please type or print legibly.)</i>	
Name of Representative Jonathan Dolan	Title President
Firm/Corporation/Association of Representative (may be different from below, e.g., law firm, consultant, other) HealthCare Advantage, LLC.	Telephone Number (314) 540-4400
Address (Street/City/State/Zip Code) 4033 Catalina Drive, Jefferson City, Mo. 65109	
Who's interests are being represented? <i>(If more than one, submit a separate Representative Registration Form for each.)</i>	
Name of Individual/Agency/Corporation/Organization being Represented Health Systems, Inc.	Telephone Number (573) 746-7100
Address (Street/City/State/Zip Code) 3750 Osage Beach Parkway, Osage Beach, Mo. 65065	
<div style="display: flex; justify-content: space-between;"><div style="width: 45%;"><p>Check one. Do you:</p><p><input type="checkbox"/> Support</p><p><input checked="" type="checkbox"/> Oppose</p><p><input type="checkbox"/> Neutral</p><p>Other Information:</p><p><u>Letter of information and opposition submitted to MHFRC & Staff</u></p><p>_____</p></div><div style="width: 45%;"><p>Relationship to Project:</p><p><input type="checkbox"/> None</p><p><input type="checkbox"/> Employee</p><p><input type="checkbox"/> Legal Counsel</p><p><input type="checkbox"/> Consultant</p><p><input checked="" type="checkbox"/> Lobbyist</p><p><input type="checkbox"/> Other (explain): _____</p></div></div> <p style="margin-top: 20px;">I attest that to the best of my belief and knowledge the testimony and information presented by me is truthful, represents factual information, and is in compliance with §197.326.1 RSMo which says: <i>Any person who is paid either as part of his normal employment or as a lobbyist to support or oppose any project before the health facilities review committee shall register as a lobbyist pursuant to chapter 105 RSMo, and shall also register with the staff of the health facilities review committee for every project in which such person has an interest and indicate whether such person supports or opposes the named project. The registration shall also include the names and addresses of any person, firm, corporation or association that the person registering represents in relation to the named project. Any person violating the provisions of this subsection shall be subject to the penalties specified in §105.478, RSMo.</i></p>	
Original Signature 	Date September 2, 2015